

## **EXHIBIT 1**

### **INTRODUCTION**

Respondent Glen Dahlbacka is a Senior Program Manager for the Lawrence Berkeley National Laboratory (the “Laboratory”). As a Senior Program Manager, Respondent is a designated employee of the Laboratory, as defined in Section 82019, subdivision (c), of the Political Reform Act (the “Act”),<sup>1</sup> and in the conflict of interest code for the University of California (the “University”).

As required by the University’s conflict of interest code, each designated employee of the Laboratory is required to file an annual statement of economic interests by April 1<sup>st</sup> of each year that the employee remains in office (unless April 1<sup>st</sup> falls on a Saturday, Sunday, or official holiday, in which case the filing deadline is extended to the next regular business day).<sup>2</sup> On the statement of economic interests, the designated employee must disclose his or her reportable economic interests held during the preceding calendar year.

In this matter, Respondent failed to file a year 2001 annual statement of economic interests by the April 2, 2002 due date.

For the purposes of this Stipulation, Respondent’s violation of the Act is stated as follows:

As a designated employee of the Lawrence Berkeley National Laboratory, Glen Dahlbacka failed to file a 2001 annual statement of economic interests by April 2, 2002, in violation of Section 87300 of the Government Code.

### **SUMMARY OF THE LAW**

An express purpose of the Act, as set forth in Section 81002, subdivision (c), is to ensure that the assets and income of public officials, which may be materially affected by their official actions, be disclosed, so that conflicts of interest may be avoided.

In furtherance of this purpose, Section 87300 requires every agency to adopt and promulgate a conflict of interest code. The agency’s conflict of interest code must specifically designate the employees of the agency who are required to file statements of economic interests disclosing their reportable

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<sup>1</sup> The Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18109 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

<sup>2</sup> Regulation 18116.

investments, business positions, interests in real property, and other sources of income. Under Section 82019, subdivision (c), and Section 87302, subdivision (a), the individuals who are to be designated in an agency's conflict of interest code are the officers, employees, members, and consultants of the agency, whose position with the agency entails making, or participating in making, governmental decisions that may have a reasonably foreseeable material effect on one or more of the individual's economic interests.

Under Section 87302, subdivision (b), each designated employee must be required to annually file a statement of economic interests for each year that the employee remains in office, at a time specified in the agency's conflict of interest code, disclosing his or her reportable investments, business positions, interests in real property and sources of income for the preceding calendar year.

Under Section 87300, the requirements of an agency's conflict of interest code have the force of law, and any violation of those requirements is deemed a violation of the Act.

### **SUMMARY OF THE FACTS**

Respondent Glen Dahlbacka is a Senior Program Manager for the Lawrence Berkeley National Laboratory. As a Senior Program Manager, Respondent is a designated employee, and is therefore annually required by the University's conflict of interest code to file a statement of economic interests for each year that he remains in office.

Respondent failed to file a year 2001 annual statement of economic interest by the April 2, 2002 due date, in violation of Section 87300.

On April 26, 2002, Lee Jackson, Senior Legal Secretary for the University of California, Office of the General Counsel, sent a letter to Respondent, advising him that his 2001 annual statement of economic interests, that was due by April 2, 2001, had not been received. On June 11, 2002, Ross Smith, Coordinator for Information Practices and Conflict of Interest for the University of California, Office of the General Counsel, sent a second letter to Respondent, advising him that his 2001 annual statement of economic interests remained past due, and advising him that if the statement was not received by July 1, 2002, that the matter would be referred to the Fair Political Practices Commission (the "FPPC").

On July 1, 2002, Ann Del Simone, Principal Legal Analyst for the Office of General Counsel sent two e-mail messages to Respondent regarding his delinquent 2001 annual statement of economic interests. Ms. Del Simone's first e-mail message to Respondent advised him that he must file his statement before the end of that business day, or he would be referred to the FPPC. Ms. Del Simone received an automatic response to her e-mail, indicating that Respondent was in Russia. Ms. Del Simone's second e-mail message to Respondent advised him that since he was in Russia, he would have until no later than July 9, 2002 to file the statement. On July 3, 2002, Ms. Del Simone received an e-mail response from Respondent, telling her that he had mailed the 2001 annual statement of economic interests to his wife, and that she would be filing it for him.

On July 3, 2002, Respondent filed a 2001 annual statement of economic interests over three months after the April 2, 2002 due date.

### **ADDITIONAL INFORMATION**

Respondent previously filed late statements of economic interests for the years 1996, 1997, 1998, 1999, and 2000. Respondent was referred to the FPPC in 1998 for the late filing of his 1997 annual statement of economic interests for, which he received a letter from the Enforcement Division warning him that failing to timely comply with his filing requirements will result in prosecution.

Respondent was cooperative in reaching an early resolution of this matter and he demonstrated a willingness to comply with his future filing requirements under the Act by filing a 2002 annual statement of economic interests on February 3, 2003.

### **CONCLUSION**

This matter consists of one count of violating Section 87300, which carries a maximum administrative penalty of Five Thousand Dollars (\$5,000). Because of Respondent's filing history, it was not appropriate to handle this case under the SEI Expedited Procedures adopted by the Commission in July 1999.

As noted above, Respondent has established a six-year history of failing to file statements of economic interests in a timely manner, and has previously been warned by the Enforcement Division that failing to timely comply with his filing requirements will result in prosecution. Respondent filed his 2001 annual statement over three months late. These factors could be sufficiently compelling to warrant imposition of a maximum penalty of Two Thousand Dollars (\$2,000). However, the fact that Respondent demonstrated a willingness to cooperate with his future filing requirements by filing his 2002 annual statement of economic interests early, and was cooperative with reaching an early resolution of this matter, justifies a settlement that imposes less than a maximum penalty. Therefore, imposition of the agreed upon penalty of One Thousand Five Hundred Dollars (\$1,500) is appropriate.